

Peterborough Town Library Trustees  
Special Meeting Friday, July 16, 2010  
Minutes

*Present:* Trustees Randy Brown (RB), Karen Peterson (KP), David Simpson (DS), David Weir (DW); Library Director Michael Price (MP), Town Finance Director Nancie Vaihinger.

The Trustees gathered with the purpose of discussing a memo that Town Finance Director Nancie Vaihinger sent on July 14<sup>th</sup> regarding the Library's yearend financial position. With final adjustments to yearend expenses, the Library's net bottom line is currently at a negative \$521.35. Although expense savings were nearly \$10,000 better than budget, revenues were down by a bit more than that because of lower interest from Town Trust Funds. If the Library is to meet its bottom line goal, we must transfer an additional \$521.35 to make our budget numbers.

When asked by the Trustees about the significant change in expenses from last month, Nancie V explained that at the end of every fiscal year, an accrual adjustment is made to personnel expenses for all departments which takes into account any unused vacation time, accumulated sick pay and PDOs (a now defunct program that awarded accumulated extra personnel days which is no longer in force but still has an effect on any employee who was working during that previous Town regime). The number varies from year to year, but this year's adjustment was particularly high for two reasons: first, because of higher levels of unused vacation time by Library employees; and second, because MP moved into his tenth year of service, at which time he became eligible for a program that would provide 35% of his salary in cash toward sick leave if he were to leave his post. All these personnel expenses must be accrued as earned, and are the result of benefits Library staff are entitled to because the Library has adopted the Town's personnel policies under the current Memorandum of Understanding.

Trustees expressed concern that neither MP nor Nancie had forecast or factored in this last-minute "hit" to the bottom line when we were evaluating our final Trustee payment at our last meeting. Nancie stated she had in fact presented that information in a report to us last month, but because it wasn't pointed out specifically, the Trustees and MP overlooked it. Also the large amount for tenth year sick leave pay was not included in her numbers (approximately \$4000).

Going forward, the Trustees have asked that the Library Director figure a way to take into account the payroll adjustments when putting together his end of year projections, as it is clearly potentially significant. RB stated further that if it is in any way able to be projected earlier on, it should be included as an estimate at budget time. Trustees also discussed MP finding ways to encourage employees to use their vacation time rather than have it accumulate.

KP moved that the Trustees forward a check to the Town in the amount of \$521.35 to fulfill its obligation to bring the Library to net zero for the fiscal year. DS seconded, and all voted in favor.

The meeting was adjourned at 3:50 p.m. Next meeting is Thursday, July 22<sup>nd</sup> at 3:00 p.m.

Respectfully submitted,  
Karen Peterson, Secretary